CRM No.16416-M of 2007

Niranjan Dass Gupta and another
vs.
State of Haryana and another

Present: Mr. APS Shergill, Advocate.

Mr.S.K.Hooda, Sr.DAG, Haryana

Ram Chand, Advocate.

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The petitioner entered into contract dated 8.11.1991 with respondent No.2 company for supplying 150 High pressure seamless empty gas cylinders. Subsequently, dispute arose between the parties with regard to the contract. Respondent No.2 filed a criminal complaint against the petitioners before Sr.Division Judicial Magistrate, Pehowa under Sections 406/420/427 IPC. This complaint was referred to police leading to registration of FIR No.102 dated 23.3.2006 under Sections 406/420 IPC at police station Pehowa, district Kurukshetra.

Pleading that allegation in the complaint would reveal a dispute which is civil in nature and the fact that the parties have reached a compromise, this petition for quashing of the FIR is filed. Compromise dated 17.7.2006, reached between the parties, is annexed with the petition as Annexure P-2. As per the terms of the compromise, the petitioners have agreed to pay full and final cost of the cylinders and the rent which according to the agreed terms works out to Rs.2.50 lacs. This amount has been paid and copy of the receipt dated 7.5.2006 is placed on record as Annexure P-3. Due to the payment made by the petitioners, 75 empty oxygen gas cylinders

have been transferred to petitioner No.2-company, which will now be property of the petitioners.

Since this dispute, basically has arisen out of the agreement reached between the parties and has now been settled, no useful purpose would be served in allowing the criminal proceedings to continue. Even otherwise, settlement of dispute by compromise needs to be encouraged specially in transaction of this nature which basically are arising out of disputes of civil nature. Since the amount due is already paid and the petitioners are now the owners of cylinders, the criminal offence, as alleged in the FIR, would not stand. Keeping in view these special features of this case, the proceedings need not be allowed to continue. Case for quashing of the FIR is made out to secure the ends of justice. The impugned FIR and all the subsequent proceedings arising therefrom are, accordingly, quashed.

The petition is allowed.

(RANJIT SINGH)
JUDGE

21.9.2007
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